



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-975]

Galvanized Steel Wire from the People's Republic of China: Final Determination of Sales at Less Than Fair Value

AGENCY: Import Administration, International Trade Administration, Department of Commerce

EFFECTIVE DATE: [Insert date of publication in the Federal Register.]

SUMMARY: On November 4, 2011, the Department of Commerce (the "Department") published the Preliminary Determination of sales at less than fair value ("LTFV") in the antidumping investigation of galvanized steel wire from the People's Republic of China ("PRC").<sup>1</sup> On November 29, 2011, the Department published an Amended Preliminary Determination.<sup>2</sup> The period of investigation ("POI") is July 1, 2010, through December 31, 2010. Based on our analysis of the comments received, we have made changes to our Preliminary Determination and Amended Preliminary Determination. The Department continues to find that galvanized steel wire from the PRC is being, or is likely to be, sold in the United States at LTFV, as provided in section 735 of the Tariff Act of 1930, as amended ("the Act"). The estimated margins of sales at LTFV are shown in the "Final Determination Margins" section of this notice.

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<sup>1</sup> See Galvanized Steel Wire From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 76 FR 68407 (November 4, 2011) ("Preliminary Determination").

<sup>2</sup> See Galvanized Steel Wire From the People's Republic of China: Amended Preliminary Determination of Sales at Less Than Fair Value, 76 FR 73589 (November 29, 2011) ("Amended Preliminary Determination").

## SUPPLEMENTARY INFORMATION

### Background

On November 4, 2011, Shanghai Bao Zhang Industry Co., Ltd., Anhui Bao Zhang Metal Products Co., Ltd., and B&Z Galvanized Wire Industry (collectively, “Baozhang”), one of the three respondents selected for individual examination in this investigation, notified the Department that it would not participate in any the scheduled verifications.<sup>3</sup> On November 9, 2011, Tianjin Honbase Machinery Manufactory Co., Ltd. (“Honbase”), another respondent selected for individual examination in this investigation, also notified the Department that it would not participate in any scheduled verifications.<sup>4</sup>

On November 2, 2011, Qingdao Ant Hardware Manufacturing Co., Ltd. (“AHM”), one of the non-individually examined exporters that received a separate rate, placed on the record samples of products which it believes should be excluded from the scope of the investigation. On November 9, 2011, the Department notified all interested parties that it would allow any interested parties to physically view the samples.<sup>5</sup>

Between December 9 and 14, 2011, we received case and rebuttal briefs from Petitioners<sup>6</sup>, AHM, Tianjin Huayuan Metal Wire Products Co., Ltd. (“Huayuan”),<sup>7</sup> and Baozhang. The Department did not hold a public hearing, pursuant to 19 CFR 351.310(d), as the hearing requests made by interested parties were withdrawn.<sup>8</sup>

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<sup>3</sup> See Letter to the Department from Baozhang; Re: Letter Electing Not To Participate in Verification, dated November 4, 2011.

<sup>4</sup> See Letter to the Department from Honbase; Re: Galvanized Steel Wire from the People’s Republic of China, dated November 9, 2011.

<sup>5</sup> See “Memorandum to the File from Kabir Archuletta, re: Galvanized Steel Wire Sample Viewing,” dated November 9, 2011.

<sup>6</sup> Davis Wire Corporation, Johnstown Wire Technologies, Inc., Mid-South Wire Company, Inc., National Standard, LLC and Oklahoma Steel & Wire Company, Inc. (hereinafter collectively referred to as “Petitioners”).

<sup>7</sup> In this case, Huayuan refers to the collective group of affiliated companies comprised of Tianjin Huayuan Metal Wire Products Co., Ltd., Tianjin Tianxin Metal Products, Co., Ltd., Tianjin Huayuan Times Metal Products Co., Ltd., and Tianjin Meijiahua Trade Co., Ltd.

<sup>8</sup> See Letter to the Department from Huayuan; Re: Galvanized Steel Wire from the People’s Republic of China: Withdrawal of Request for a Hearing, dated December 15, 2011.

On March 2, 2012, at the Department's request, interested parties in the companion galvanized wire investigations involving Mexico filed on the record of this investigation certain scope comments that were raised in that proceeding's case and rebuttal briefs. We allowed a period of time for parties in the instant proceeding to comment on those submissions. We received no comments.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the "Antidumping Duty Investigation of Galvanized Steel Wire from the People's Republic of China: Issues and Decision Memorandum for the Final Determination" ("Decision Memo"), dated concurrently with this notice and which is hereby adopted by this notice. A list of the issues which parties raised, and to which we respond in the Decision Memo, are attached to this notice as Appendix I. The Decision Memo is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). Access to IA ACCESS is available in the Central Records Unit ("CRU"), room 7046 of the main Department of Commerce building. In addition, a complete version of the Decision Memo can be accessed directly on the internet at <http://www.trade.gov/ia/>. The signed Decision Memo and the electronic versions of the Decision Memo are identical in content.

#### Changes Since the Preliminary Determination

Based on our analysis of information on the record of this investigation, we have made changes regarding Honbase and Baozhang for the final determination. Specifically, for the final determination, we have applied total adverse facts available ("AFA") for Honbase's and Baozhang's failure to participate and their subsequent inclusion as part of the PRC-wide entity.

#### Scope of Investigation

The scope of this investigation covers galvanized steel wire which is a cold-drawn carbon

quality steel product in coils, of circular or approximately circular, solid cross section with any actual diameter of 0.5842 mm (0.0230 inch) or more, plated or coated with zinc (whether by hot-dipping or electroplating).

Steel products to be included in the scope of this investigation, regardless of Harmonized Tariff Schedule of the United States (“HTSUS”) definitions, are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is two percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 1.50 percent of silicon, or
- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 1.25 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.02 percent of boron, or
- 0.10 percent of molybdenum, or
- 0.10 percent of niobium, or
- 0.41 percent of titanium, or
- 0.15 percent of vanadium, or
- 0.15 percent of zirconium.

Specifically excluded from the scope of this investigation is galvanized steel wire in coils of 15 feet or less which is pre-packed in individual retail packages. The products subject to this

investigation are currently classified in subheadings 7217.20.30, 7217.20.45, and 7217.90.1000 of the HTSUS which cover galvanized wire of all diameters and all carbon content. Galvanized wire is reported under statistical reporting numbers 7217.20.3000, 7217.20.4510, 7217.20.4520, 7217.20.4530, 7217.20.4540, 7217.20.4550, 7217.20.4560, 7217.20.4570, 7217.20.4580, and 7217.90.1000. These products may also enter under HTSUS subheadings 7229.20.0015, 7229.20.0090, 7229.90.5008, 7229.90.5016, 7229.90.5031, and 7229.90.5051. Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the merchandise is dispositive.

#### Scope Comments

In their case and rebuttal briefs, interested parties provided comments on the scope and merchandise that is to be covered under the scope. We have discussed these comments fully in the Decision Memo.<sup>9</sup> In addition, and as referenced in the “Background” section above, certain parties in the companion galvanized wire investigation involving Mexico provided scope comments.<sup>10</sup> As a result of considering these comments, we have made a slight modification of the scope to clarify that galvanized steel wire of circular or approximately circular, solid cross section is included within the scope.<sup>11</sup> We have also included an additional HTSUS subheading as part of the scope description.<sup>12</sup>

In addition, in the Preliminary Determination, we responded to scope comments provided by Tree Island Wire (USA), Inc. and Preferred Wire Products, Inc., and we preliminarily determined that galvanized wire with a diameter less than one millimeter is subject to the scope of the investigation. No additional comments were made on this issue in the case or rebuttal briefs. Thus, for the final determination, we have made no changes on this determination from

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<sup>9</sup> See Decision Memo at Comment 3.

<sup>10</sup> These comments have been addressed in the Notice of Final Determination of Sales at Less Than Fair Value: Galvanized Steel Wire from Mexico, signed concurrently with this notice and accompanying Issues and Decision Memorandum at Comments 3 and 4.

<sup>11</sup> See *id.*, at Comment 3.

<sup>12</sup> See *id.*, at Comment 4.

the Preliminary Determination and continue to find, specifically, that galvanized wire with a diameter less than one millimeter but equal to or greater than 0.5842 millimeters is covered by the scope.

### Separate Rates

In proceedings involving non-market-economy (“NME”) countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate. It is the Department’s policy to assign all exporters of merchandise subject to an investigation in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate.<sup>13</sup> In the Preliminary Determination, we found that Shijiazhuang Kingway Metal Products Co., Ltd.; Shanxi Yuci Broad Wire Products Co., Ltd.; Huanghua Jinhai Hardware Products Co., Ltd.; Huanghua Jinhai Import & Export Trading Co., Ltd.; Guizhou Wire Rope Incorporated Company; Hebei Minmetals Co., Ltd.; Shandong Minmetals Co., Ltd.; Fasten Group Imp. & Exp. Co., Ltd.; Qingdao Ant Hardware Manufacturing Co., Ltd.; Suntec Industries Co., Ltd.; M & M Industries Co., Ltd.; Shaanxi New Mile International Trade Co., Ltd.; Hebei Cangzhou New Century Foreign Trade Co., Ltd.; Dezhou Hualude Hardware Products Co., Ltd.; Shanghai SETI Enterprise International Co., Ltd.; and Xi’an Metals and Minerals Import and Export Co., Ltd., demonstrated their eligibility for, and were hence assigned, separate rate status.

No parties commented on the above companies’ eligibility for separate rate status. Consequently, for the final determination, we continue to find that these companies demonstrated both a de jure and de facto absence of government control with respect to their exports of the

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<sup>13</sup> See Final Determination of Sales at Less Than Fair Value: Sparklers from the People’s Republic of China, 56 FR 20588 (May 6, 1991) (“Sparklers”), as amplified by Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People’s Republic of China, 59 FR 22585 (May 2, 1994) (“Silicon Carbide”), and 19 CFR 351.107(d).

merchandise under investigation, and are eligible for separate rate status for the final determination.

The Department received comments from Huayuan and Petitioners regarding the Department's preliminary determination with respect to Huayuan's separate rate status. The Department has addressed the arguments in Comment 1 of the Decision Memo. For the final determination, we continue to find that Huayuan has not overcome the presumption of government control with respect to its exports of the merchandise under investigation.<sup>14</sup> Thus, we continue to find that Huayuan is not eligible for a separate rate and remains part of the PRC-wide entity.

Additionally, as discussed in the "PRC-wide Entity and Facts Available" section below and in Comment 2 of the Decision Memo, Honbase and Baozhang failed to demonstrate their eligibility for a separate rate by preventing the Department from verifying the accuracy of their information and will, therefore, be considered part of the PRC-wide entity for this final determination.

#### Calculation of Separate Rate

In the Preliminary Determination, we calculated a weighted-average separate rate based on the margins calculated for Honbase and Baozhang and their submitted publicly ranged sales quantities. However, none of the mandatory respondents are receiving a separate rate for this final determination. If the estimated weighted-average margins for all individually investigated respondents are de minimis or based entirely on facts available ("FA"), the Department may use any reasonable method to determine the separate rate margin.<sup>15</sup> Therefore, pursuant to section 735(c)(5)(A) and (B) of the Act, we have, for the final determination, determined the separate

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<sup>14</sup> See Decision Memo at Comment 1; see also "Memorandum to the File from Irene Gorelik, Senior Case Analyst: Program Analysis for the Preliminary Determination of Antidumping Duty Investigation of Galvanized Steel Wire from the People's Republic of China: Tianjin Huayuan Metal Wire Products Co., Ltd.," dated October 27, 2011 ("Huayuan Prelim Analysis Memo") at Exhibit 1.

<sup>15</sup> See section 735(c)(5)(B) of the Act.

rate margin using a reasonable method that is consistent with our established practice.

Specifically, we have assigned to the separate rate companies the simple average of all of the margins alleged in the Petition,<sup>16</sup> as revised in the Initiation Notice<sup>17</sup>, which is 194.00 percent.<sup>18</sup>

#### The PRC-wide Entity and Facts Available

In the Preliminary Determination, the Department found that:

information on the record of this investigation indicates that there were more exporters of galvanized steel wire from the PRC than those indicated in the response to our request for Q&V information during the POI...Although all producers/exporters were given an opportunity to provide Q&V information, not all producers/exporters provided a response to the Department's Q&V letter.<sup>19</sup>

Furthermore, the Department did not grant a separate rate to Tianjin Jinghai Yicheng Metal Products Co., Ltd. ("Tianjin Jinghai") because it withdrew its participation from this investigation as a selected mandatory respondent, having never provided any evidence demonstrating an absence of government control both in law and in fact. As such, the Department preliminarily determined that there were PRC producers/exporters of galvanized steel wire during the POI that did not respond to the Department's request for information. We treated these PRC producers/exporters as part of the PRC-wide entity because they did not qualify for a separate rate.<sup>20</sup>

Further, as stated above, in the Preliminary Determination, the Department did not grant a

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<sup>16</sup> See Petitions for the Imposition of Antidumping Duties on Galvanized Steel Wire from Mexico and Antidumping and Countervailing Duties on Galvanized Steel Wire from the People's Republic of China filed on March 31, 2011 (the "Petition").

<sup>17</sup> See Galvanized Steel Wire from the People's Republic of China and Mexico: Initiation of Antidumping Duty Investigations, 76 FR 23548, 23552 (April 27, 2011) ("Initiation Notice"); see also Decision Memo at Comment 7.

<sup>18</sup> See, e.g., Aluminum Extrusions from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 76 FR 18524, 18525 (April 4, 2011) ("For the final determination, we have assigned the 29 separate rate applicants to whom we are granting a separate rate a dumping margin of 32.79 percent, based on the simple average of the margins alleged in the petition..."); Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China, 73 FR 31970, 31971-31972 (June 5, 2008) ("...we have assigned to the separate rate companies the simple average of the margins alleged in the petition."); Final Determination of Sales at Less Than Fair Value: Sodium Hexametaphosphate from the People's Republic of China, 73 FR 6479, 6480-6481 (February 4, 2008) ("Specifically, we have assigned an average of the margins calculated for purposes of initiation as the separate rate for the final determination.").

<sup>19</sup> See Preliminary Determination, 76 FR at 68415-68416.

<sup>20</sup> See id.



separate rate to Huayuan because it did not overcome the presumption of government control.<sup>21</sup> The Department has addressed this issue at length in the Decision Memo, based on comments received from Huayuan and Petitioners.<sup>22</sup> However, because the Department begins with the presumption that all companies within an NME country are subject to government control, and because only the separate rate recipients have overcome that presumption, because Huayuan did not qualify for a separate rate, the Department is applying the PRC-wide entity rate to Huayuan and its affiliates. Despite Huayuan's submission of sales and factor of production data, because Huayuan did not receive a separate rate and was found to be part of the PRC-wide entity, we have not used this data to calculate a separate antidumping duty margin for Huayuan. Rather, we have assigned to Huayuan the rate assigned to the PRC-wide entity. This is consistent with our long-standing practice of assigning a country-wide rate to NME companies that do not qualify for a separate rate, and has been affirmed by the court.<sup>23</sup>

Section 776(a)(2) of the Act provides that if an interested party: (A) withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested, subject to subsections 782(c)(1) and (e) of the Act; (C) significantly impedes a determination under the antidumping statute; or (D) provides such information but the information cannot be verified, the Department shall, subject to subsection 782(d) of the Act, use facts otherwise available in reaching the applicable determination.

Section 782(c)(1) of the Act provides that if an interested party "promptly after receiving a request from {the Department} for information, notifies {the Department} that such party is

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<sup>21</sup> See *id.*, 76 FR at 68413; see also "Memorandum to Catherine Bertrand, Program Manager, Office 9, from Irene Gorelik, Senior International Trade Analyst, Office 9: Antidumping Duty Investigation of Galvanized Steel Wire from the People's Republic of China: Preliminary Affiliation and Single Entity Determinations for Tianjin Huayuan Metal Wire Products Co., Ltd.," dated October 27, 2011 ("Huayuan Affiliation Memo"); and Huayuan Prelim Analysis Memo.

<sup>22</sup> See Decision Memo at Comment 1A, 1B, and 1C.

<sup>23</sup> See *Transcom, Inc. v. United States*, 182 F.3d 876, 883 (CAFC 1999) (citing *Sigma Corp v. United States*, 117 F.3d 1401, 1405- 06. (CAFC 1997)).

unable to submit the information in the requested form and manner, together with a full explanation and suggested alternative form in which such party is able to submit the information,” the Department may modify the requirements to avoid imposing an unreasonable burden on that party.

Section 782(d) of the Act provides that, if the Department determines that a response to a request for information does not comply with the request, the Department will inform the person submitting the response of the nature of the deficiency and shall, to the extent practicable, provide that person the opportunity to remedy or explain the deficiency. If that person submits further information that continues to be unsatisfactory, or this information is not submitted within the applicable time limits, the Department may, subject to section 782(e) of the Act, disregard all or part of the original and subsequent responses, as appropriate.

Section 782(e) of the Act states that the Department shall not decline to consider information deemed “deficient” under section 782(d) if: (1) the information is submitted by the established deadline; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability; and (5) the information can be used without undue difficulties.

Furthermore, section 776(b) of the Act states that if the administering authority finds that an interested party has not acted to the best of its ability to comply with a request for information, the administering authority may, in reaching its determination, use an inference that is adverse to that party. The adverse inference may be based upon: (1) the Petition, (2) a final determination in the investigation under this title, (3) any previous review under section 751 or determination under section 753, or (4) any other information placed on the record.

Information on the record of this investigation indicates that the PRC-wide entity was unresponsive to the Department’s requests for information. Certain companies: 1) did not

respond to our questionnaires requesting quantity and value (“Q&V”) information; or 2) withdrew participation from the investigation. As a result, pursuant to section 776(a)(2)(A) of the Act, we found that the use of facts available is appropriate to determine the PRC-wide rate.

Since the Preliminary Determination, Honbase and Baozhang, the two mandatory respondents for which we calculated preliminary antidumping duty margins, both withdrew their participation from their respective, scheduled on-site verifications. By ceasing to participate in the verification of their questionnaire responses, Honbase and Baozhang prevented the Department from verifying the accuracy of their information as provided by section 782(i) of the Act, and thus, failed to demonstrate their eligibility for a separate rate.<sup>24</sup> Therefore, for the final determination, the Department finds that Honbase and Baozhang are considered to be part of the PRC-wide entity (along with Tianjin Jinghai, the companies unresponsive to the Q&V questionnaires and Huayuan). Because the PRC-wide entity, which now also includes Honbase and Baozhang, significantly impeded the Department’s proceeding pursuant to sections 776(a)(2)(C) of the Act, by failing to provide the requested information and by refusing to allow verification of their data, we find that the PRC-wide entity withheld information requested by the Department pursuant to section 776(a)(2)(A) of the Act. Based on the foregoing, we have determined that the PRC-wide entity failed to act to the best of its ability by not providing the requested information and by ceasing their participation in the proceeding. Therefore, we continue to find that when selecting from among the FA, an adverse inference is warranted for the PRC-wide entity, including Honbase and Baozhang, pursuant to section 776(b) of the Act.

#### The PRC-Wide Entity Rate

Because we begin with the presumption that all companies within a NME country are subject to government control, and because only the companies listed under the “Final Determination Margins” section, below, have overcome that presumption, we are applying a

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<sup>24</sup> See section 776(a)(2)(D) of the Act.

single antidumping rate (i.e., the PRC-wide rate) to all other exporters of the merchandise under consideration. These other companies did not demonstrate entitlement to a separate rate.<sup>25</sup> The PRC-wide rate applies to all entries of the merchandise under consideration except for entries from the companies receiving a separate rate.<sup>26</sup>

In the Preliminary Determination, the Department determined that there were: 1) exporters/producers of the merchandise subject to the investigation during the POI from the PRC that did not respond to the Department's request for information; 2) exporters that withdrew from participation from the review; and 3) exporters that did not overcome the presumption of government control (specifically Huayuan<sup>27</sup>). Further, we treated these PRC producers/exporters as part of the PRC-wide entity because they did not qualify for a separate rate. Finally, we found that the use of FA was appropriate to determine the PRC-wide rate pursuant to section 776(a)(2)(A) of the Act.<sup>28</sup>

In the Preliminary Determination, the Department also determined that, in selecting from among the FA, an adverse inference is appropriate because the PRC-wide entity failed to cooperate by not acting to the best of its ability to comply with requests for information.<sup>29</sup> As AFA, we preliminarily assigned to the PRC-wide entity a rate of 235.00 percent, the highest calculated rate from the Petition.<sup>30</sup>

Section 776(a)(2) of the Act provides that, if an interested party (A) withholds

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<sup>25</sup> See, e.g., Synthetic Indigo From the People's Republic of China; Notice of Final Determination of Sales at Less Than Fair Value, 65 FR 25706, 25707 (May 3, 2000).

<sup>26</sup> These companies are: Shijiazhuang Kingway Metal Products Co., Ltd.; Shanxi Yuci Broad Wire Products Co., Ltd.; Huanghua Jinhai Hardware Products Co., Ltd.; Huanghua Jinhai Import & Export Trading Co., Ltd.; Guizhou Wire Rope Incorporated Company; Hebei Minmetals Co., Ltd.; Shandong Minmetals Co., Ltd.; Fasten Group Imp. & Exp. Co., Ltd.; Qingdao Ant Hardware Manufacturing Co., Ltd.; Suntec Industries Co., Ltd.; M & M Industries Co., Ltd.; Shaanxi New Mile International Trade Co., Ltd.; Hebei Cangzhou New Century Foreign Trade Co., Ltd.; Dezhou Hualude Hardware Products Co., Ltd.; Shanghai SETI Enterprise International Co., Ltd.; and Xi'an Metals and Minerals Import and Export Co., Ltd.

<sup>27</sup> See Decision Memo at Comments 1A, 1B, and 1C; see also Preliminary Determination, 76 FR at 68413.

<sup>28</sup> See Preliminary Determination, 76 FR at 68416.

<sup>29</sup> See id.

<sup>30</sup> See id.; see also Statement of Administrative Action accompanying the URAA, H.R. Rep. No. 103-316, vol. 1, at 870 (1994) ("SAA").

information requested by the Department, (B) fails to provide such information by the deadline, or in the form or manner requested, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified, the Department shall use, subject to sections 782(d) and (e) of the Act, facts otherwise available in reaching the applicable determination. Because the PRC-wide entity (now including Honbase and Baozhang) did not respond to our requests for information, withheld information requested by the Department, and did not allow their information to be verified, pursuant to sections 776(a)(2)(A), (C), and (D) of the Act, we determine, as in the Preliminary Determination, that the use of facts otherwise available is appropriate to determine the PRC-wide rate. The PRC-wide entity has not provided the Department with the requested information; therefore, pursuant to section 776(a)(2)(A) of the Act, the Department continues to find that the use of FA is appropriate to determine the PRC-wide rate. As noted above, section 776(b) of the Act provides that, in selecting from among the facts otherwise available, the Department may employ an adverse inference if an interested party fails to cooperate by not acting to the best of its ability to comply with requests for information.<sup>31</sup> We find that, because the PRC-wide entity did not respond to our request for information, it has failed to cooperate to the best of its ability. Therefore, the Department finds that, in selecting from among the facts otherwise available, an adverse inference is appropriate for the PRC-wide entity.

#### Corroboration

Section 776(c) of the Act provides that, when the Department relies on secondary information, rather than on information obtained in the course of an investigation as facts available, it must, to the extent practicable, corroborate that information from independent sources reasonably at its disposal. Secondary information is described in the SAA as

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<sup>31</sup> See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from the Russian Federation, 65 FR 5510, 5518 (February 4, 2000). See also SAA at 870.

“information derived from the petition that gave rise to the investigation or review, the final determination concerning subject merchandise, or any previous review under Section 751 concerning the subject merchandise.”<sup>32</sup> The SAA provides that to “corroborate” means simply that the Department will satisfy itself that the secondary information to be used has probative value.<sup>33</sup> The SAA also states that independent sources used to corroborate may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation.<sup>34</sup> To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used.<sup>35</sup>

At the Preliminary Determination, as AFA the Department selected a rate of 235.00 percent, the highest rate from the Petition<sup>36</sup>, as recalculated by the Department in the Initiation Notice.<sup>37</sup> Petitioners’ methodology for calculating the export price and normal value (“NV”) in the Petition is discussed in the Initiation Notice.<sup>38</sup> To corroborate the AFA margin that we selected, we compared this margin to the model-specific margins we found for the cooperating mandatory respondents. We found that the margin of 235.00 percent had probative value because it is within the range of the non-aberrational, model-specific margins that we preliminarily calculated for one of the mandatory respondents during the POI.<sup>39</sup> Accordingly,

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<sup>32</sup> See SAA at 870.

<sup>33</sup> See id.

<sup>34</sup> See id.

<sup>35</sup> See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews, 61 FR 57391, 57392 (November 6, 1996), unchanged in Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Final Results of Antidumping Duty Administrative Reviews and Termination in Part, 62 FR 11825 (March 13, 1997).

<sup>36</sup> See Petition.

<sup>37</sup> See Initiation Notice.

<sup>38</sup> See id.

<sup>39</sup> See “Memorandum to the File, from Irene Gorelik, Senior Analyst, re; Corroboration of the PRC-Wide Entity Rate for the Preliminary Determination in the Antidumping Duty Investigation of Galvanized Steel Wire from the People’s Republic of China,” dated October 27, 2011.

we found that 235.00 percent was a reliable and relevant rate, considering the record information, and thus, had probative value for the Preliminary Determination.

For the final determination, because there were no margins calculated for the mandatory respondents, to corroborate the 235.00 percent margin used as AFA for the PRC-wide entity, to the extent appropriate information was available, we are affirming our pre-initiation analysis of the adequacy and accuracy of the information in the Petition.<sup>40</sup> During our pre-initiation analysis, we examined evidence supporting the calculations in the Petition and the supplemental information provided by Petitioners prior to initiation to determine the probative value of the margins alleged in the Petition. During our pre-initiation analysis, we examined the information used as the basis of export price and NV in the Petition, and the calculations used to derive the alleged margins. Also during our pre-initiation analysis, we examined information from various independent sources provided either in the Petition or, based on our requests, in supplements to the Petition, which corroborated key elements of the export price and NV calculations.<sup>41</sup> Therefore, for the final determination, we have corroborated our AFA margin by affirming our pre-initiation analysis. Because no parties commented on the selection of the PRC-wide rate, we continue to find that the margin of 235.00 percent has probative value. Accordingly, we find that the rate of 235.00 percent is corroborated within the meaning of section 776(c) of the Act.

#### Surrogate Country

In the Preliminary Determination, we stated that we selected Thailand as the appropriate surrogate country to use in this investigation for the following reasons: (1) it is a significant producer of comparable merchandise; (2) it is at a similar level of economic development pursuant to 773(c)(4) of the Act; and (3) we have reliable data from Thailand that we can use to

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<sup>40</sup> See Antidumping Investigation Initiation Checklist: Galvanized Steel Wire from the People's Republic of China, dated April 20, 2011 ("Initiation Checklist").

<sup>41</sup> See *id.*

value the factors of production.<sup>42</sup> For the final determination, we are not calculating any margins that require surrogate values from a surrogate country and, therefore, there is no need to consider comments with respect to the selection of a surrogate country.<sup>43</sup>

#### Final Determination Margins

We determine that the below percentage margins exist for the following entities for the POI:

Exporter	Producer	Weighted-Average Margin (percent)
Shijiazhuang Kingway Metal Products Co., Ltd.	Shijiazhuang Kingway Metal Products Co., Ltd.	194.00
Shanxi Yuci Broad Wire Products Co., Ltd.	Shanxi Yuci Broad Wire Products Co., Ltd.	194.00
Huanghua Jinhai Hardware Products Co., Ltd.	Huanghua Jinhai Hardware Products Co., Ltd.	194.00
Huanghua Jinhai Import & Export Trading Co., Ltd.	Huanghua Jinhai Hardware Products Co., Ltd.	194.00
Guizhou Wire Rope Incorporated Company	Guizhou Wire Rope Incorporated Company	194.00
Hebei Minmetals Co., Ltd.	Huanghua Jinhai Hardware Products Co., Ltd.	194.00
Hebei Minmetals Co., Ltd.	Huanghua Huarong Hardware Co., Ltd.	194.00
Hebei Minmetals Co., Ltd.	Shandong Jining Lianzhong Hardware Products Co., Ltd.	194.00
Shandong Minmetals Co., Ltd.	Huanghua Jinhai Hardware Products Co., Ltd.	194.00
Shandong Minmetals Co., Ltd.	Huanghua Xincheng Metal Products Co., Ltd.	194.00
Shandong Minmetals Co., Ltd.	Tianjin Shi Dagangqu Yuliang XianCaichang	194.00
Shandong Minmetals Co., Ltd.	Tianjin Hengfeng Metal Wire Co., Ltd.	194.00
Shandong Minmetals Co., Ltd.	Tianjin Shi Jinghai Yicheng Hardware Products Co., Ltd.	194.00
Fasten Group Imp. & Exp. Co., Ltd.	Jiangsu Fasten Stock Co., Ltd.	194.00
Fasten Group Imp. & Exp. Co., Ltd.	Zhangjiagang Guanghua Communication Cable Materials Co., Ltd.	194.00
Fasten Group Imp. & Exp. Co., Ltd.	Zhangjiagang Kaihua Metal Products Co., Ltd.	194.00

<sup>42</sup> See Preliminary Determination, 76 FR at 68410-68412.

<sup>43</sup> See Decision Memo at Comment 4.



Qingdao Ant Hardware Manufacturing Co., Ltd.	Qingdao Ant Hardware Manufacturing Co., Ltd.	194.00
Suntec Industries Co., Ltd.	Tianjin Jinnan 4th Wire Factory	194.00
Suntec Industries Co., Ltd.	Tianjin Yinshan Manufacture & Trade Co., Ltd.	194.00
Suntec Industries Co., Ltd.	Tianjin Zhaohong Metal Products Co., Ltd.	194.00
Suntec Industries Co., Ltd.	Tianjin Wandai Metal Products Co., Ltd.	194.00
Suntec Industries Co., Ltd.	Tianjin Dagang Wire Factory	194.00
Suntec Industries Co., Ltd.	Tianjin Jinghai Yicheng Metal Products Co., Ltd.	194.00
Suntec Industries Co., Ltd.	Tianjin Liquan Metal Products Co., Ltd.	194.00
Suntec Industries Co., Ltd.	Tianjin Huayuan Times Metal Products Co., Ltd.	194.00
Suntec Industries Co., Ltd.	Tianjin Fusheng Metal Products Co., Ltd.	194.00
M & M Industries Co., Ltd.	Tianjin Huayuan Times Metal Products Co., Ltd.	194.00
M & M Industries Co., Ltd.	Tianjin Huayuan Metal Wire Products Co., Ltd.	194.00
M & M Industries Co., Ltd.	Tianjin Tianxin Metal Products Co., Ltd.	194.00
M & M Industries Co., Ltd.	Tianjin Jinghai County Yongshun Metal Products Mill	194.00
M & M Industries Co., Ltd.	Huanghua Jinhai Hardware Products Co., Ltd.	194.00
Shaanxi New Mile International Trade Co., Ltd.	Tianjin Huayuan Metal Wire Products Co., Ltd.	194.00
Shaanxi New Mile International Trade Co., Ltd.	Tianjin Jinghai Yicheng Metal Products Co., Ltd.	194.00
Shaanxi New Mile International Trade Co., Ltd.	Tianjin Zhaohong Metal Products Co., Ltd.	194.00
Shaanxi New Mile International Trade Co., Ltd.	Tianjin Lianxing Metal Products Co., Ltd.	194.00
Shaanxi New Mile International Trade Co., Ltd.	Tianjin Beichen Gangjiaoxian Metal Products Co., Ltd., Fuli Branch	194.00
Shaanxi New Mile International Trade Co., Ltd.	Shenzhou Hongli Metal Products Co., Ltd.	194.00
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	Tianjin Huayuan Metal Wire Products Co., Ltd.	194.00
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	Tianjin Randa Metal Products Factory	194.00
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	Tianjin Jinghai Yicheng Metal Products Co., Ltd.	194.00
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	Tianjin Jinghai Hongjiufeng Wire Products Co., Ltd.	194.00
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	Huanghua Jinhai Hardware Products Co., Ltd.	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Tianjin Jinghai Yicheng Metal Products Co., Ltd.	194.00

Dezhou Hualude Hardware Products Co., Ltd.	Tianjin Yinshan Industry and Trade Co., Ltd.	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Tianjin Zhenyuan Industry and Trade Co., Ltd.	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Dingzhou Xuri Metal Products Factory	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Huanghua Jinhai Hardware Products Co., Ltd.	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Tianjin Dagang Wire Mill	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Tianjin Huayuan Industrial Company	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Hebei Yongwei Metal Products Co., Ltd.	194.00
Dezhou Hualude Hardware Products Co., Ltd.	Tianjin Guanshun Metal Products Co., Ltd.	194.00
Shanghai SETI Enterprise International Co., Ltd.	Shanghai Xiaoyu Metal Products Co., Ltd.	194.00
Xi'an Metals and Minerals Import and Export Co., Ltd.	Tianjin Jinyongtai Hardware Products Co., Ltd.	194.00
Xi'an Metals and Minerals Import and Export Co., Ltd.	Tianjin Hengfeng Metal Wire Co., Ltd.	194.00
Xi'an Metals and Minerals Import and Export Co., Ltd.	Shenzhou City Hongli Hardware Manufacturing Co., Ltd.	194.00
Xi'an Metals and Minerals Import and Export Co., Ltd.	Tianjin Dagang Jinding Metal Products Factory	194.00
PRC-Wide <sup>44</sup>		235.00

## Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

<sup>44</sup> The PRC-wide entity includes: Tianjin Honbase Machinery Manufactory Co., Ltd.; Anhui Bao Zhang Metal Products Co., Ltd.; Shanghai Bao Zhang Industry Co., Ltd.; Tianjin Huayuan Metal Wire Products Co., Ltd.; Tianjin Meijiahua Trade Co., Ltd.; Tianjin Huayuan Times Metal Products Co., Ltd.; Tianjin Tianxin Metal Products Co., Ltd.; Tianjin Jinghai Yicheng Metal Products Co., Ltd.; Anping Shuangmai Metal Products Co., Ltd.; Anping Xinhong Wire Mesh Co Ltd.; Beijing Catic Industry Limited; Benxi Wasainuo Metal Packaging Production Co., Ltd.; China National Electronics Imp. & Exp. Ningbo Co., Ltd.; Easen Corp.; Ecms O/B Tianjin Huayuan Metal Wire; Hebei Dongfang Hardware And Mesh Co., Ltd.; Hebei Longda Trade Co., Ltd.; Huanghua Yufutai Hardware Products Co., Ltd.; Maccaferri (Changsha) Enviro-Tech Co.; Nantong Long Yang International Trade Co., Ltd.; Shandong Hualing Hardware & Tools Co. Ltd.; Shanghai Multi-development Enterprises; Shanghai Suntec Industries Co., Ltd.; Tianjin Jing Weida International Trade Co., Ltd.; Tianjin Pcss Trading Co., Ltd.; and Weifang Hecheng International Trade Co., Ltd.

### Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing U.S. Customs and Border Protection (“CBP”) to continue to suspend liquidation of all imports of merchandise subject to the investigation entered or withdrawn from warehouse, for consumption for the PRC-wide entity and the Separate Rate Recipients on or after November 4, 2011. We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds U.S. price, as follows: (1) the rate for the exporter/producer combinations listed in the chart above will be the rate we have determined in this final determination; (2) for all PRC exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the PRC-wide rate; and (3) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the rate applicable to the PRC exporter/producer combination that supplied that non-PRC exporter. These suspension of liquidation instructions will remain in effect until further notice.

Additionally, the Department found in its final determination for the companion countervailing duty (“CVD”) investigation that Baozhang’s merchandise benefited from export subsidies.<sup>45</sup> However, as noted above, we have determined that Baozhang is part of the PRC-wide entity in this proceeding. With respect to the PRC-wide entity, we have applied as AFA the highest rate from the Petition. Therefore, we will not instruct CBP to deduct any export subsidy from the PRC-wide entity’s cash deposit rate.<sup>46</sup>

With respect to M&M Industries Co., Ltd., a separate rate recipient in this case, but a mandatory respondent in the companion CVD case to which total AFA was assigned, the Department calculated the AFA rate for M&M Industries using program-specific rates calculated

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<sup>45</sup> See Galvanized Steel Wire from the People’s Republic of China: Final Affirmative Countervailing Duty Determination, dated concurrently with this notice.

<sup>46</sup> See, e.g., Drill Pipe From the People’s Republic of China: Final Determination of Sales at Less Than Fair Value and Critical Circumstances, 76 FR 1966, 1970 (January 11, 2011).

for the cooperating respondents. Therefore, in the CVD investigation, because there was only one export subsidy rate calculated (for Baozhang, a cooperative respondent in the CVD investigation), the export subsidy portion of the AFA-rate for M&M Industries is equal to the export subsidy rate calculated for Baozhang (0.21%). In addition, Baozhang's rate is the basis for the all others rate in the CVD case. Therefore, we will instruct CBP to require a cash deposit or posting of a bond equal to the amount by which normal value exceeds U.S. price for the M&M Industries, reduced by the export subsidy rate (0.21%) found for all companies.

Further, with respect to the other companies receiving a separate rate in the instant investigation, excluding M&M Industries Co., Ltd., these companies are subject to the all-others rate in the companion CVD investigation. Moreover, as noted above, all companies were found to have the same amount of export subsidies, the amount found for the cooperative respondent in the CVD case. Therefore, for companies receiving a separate rate, we will instruct CBP to require a cash deposit or posting of a bond equal to the amount by which normal value exceeds U.S. price for the separate rate recipients, as indicated above, reduced by the export subsidy rate (0.21%) found for all companies.

#### Notification Regarding APO

This notice also serves as a reminder to the parties subject to administrative protective order ("APO") of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and notice are issued and published in accordance with sections  
735(d) and 777(i)(1) of the Act.

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Paul Piquado  
Assistant Secretary  
for Import Administration

\_\_\_\_ March 19, 2012 \_\_\_\_  
Date

## Appendix I

### **Company-Specific Issues**

**Comment 1: The Department's Preliminary Determination With Respect to Tianjin Huayuan Metal Wire Products Co., Ltd. ("Huayuan")**

- A. Whether the Department Incorrectly Determined Huayuan's Eligibility for a Separate Rate**
- B. Whether the Department Should Have Applied Adverse Facts Available ("AFA") to Huayuan**
- C. Whether the Department Failed to Meet the Statutory Obligation to Verify Huayuan**

**Comment 2: Whether the Department Should Assign AFA to Tianjin Honbase Machinery Manufactory Co., Ltd. ("Tianjin Honbase") and to Anhui Bao Zhang Metal Products Co., Ltd. ("Baozhang")**

### **General Issues**

**Comment 3: Whether Hobby Wire is Within the Scope of the Investigation**

**Comment 4: Surrogate Country Selection**

**Comment 5: Whether Double-Remedies Have Been Applied**

**Comment 6: Whether the NME Separate Rate Methodology is Contrary to Law and Should Be Eliminated**

**Comment 7: Appropriate Separate Rate to Assign to Cooperative Non-Selected Companies**

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